

**PROCEEDINGS OF THE
WASHINGTON STATE BOUNDARY REVIEW BOARD
FOR KING COUNTY
RESOLUTION AND HEARING DECISION**

**IN RE: CITY OF REDMOND
 NE Rose Hill
 Proposed Annexation
 King County, Washington**

FILE NO. 2168

A Notice of Intention was submitted in April of 2004 by the City of Redmond to the Washington State Boundary Review Board. The Notice of Intention (Boundary Review Board File No. 2168) proposed that the City of Redmond annex a certain 76-acre portion of territory within the 184-acre NE Rose Hill Potential Annexation Area.

The application was revised in June 2004 to correctly state the proposed annexation area at 59 acres. The boundaries of the annexation area were not altered by the correction to the statement of acreage.

The Notice of Intention for the initially proposed NE Rose Hill Annexation Area – Phase I (59 acres) is based upon an annexation petition by property owners. Redmond City Council adopted this annexation proposal on March 6, 2004. When the City receives and adopts a valid petition, City officials are required to submit an annexation application to the Boundary Review Board.

Petitioners are seeking annexation in order to be governed by and to receive services from the City of Redmond. The NE Rose Hill Annexation Area – Phase I (59 acres) proposes annexation of a generally “J”-shaped peninsula. The NE Rose Hill Phase I Annexation site is located on the western side of the City of Redmond. The eastern boundary of the proposed annexation site is contiguous with the western boundary of the City of Redmond. The western, northern and southern boundaries of the annexation area are variable. The westernmost boundary is formed by 134th Avenue NE. The northernmost boundary is formed primarily by NE 104th Street and by NE 102nd Street (if extended). The southernmost boundary is formed by NE 100th Street and NE 97th Street.

On June 4, 2004, the Office of the King County Executive invoked jurisdiction (submitted a request for a public hearing) before the Boundary Review Board concerning the proposed NE Rose Hill Annexation. The County proposed the modification of the proposed NE Rose Hill Annexation – Phase I to include the entire 184-acre NE Rose Hill Potential Annexation Area.

The Boundary Review Board confirmed that the County’s request for a public hearing was authorized pursuant to RCW 36.93. Legal notice having been duly given, a public hearing was conducted on July 15, 2004 before a quorum of the Boundary Review Board in order to consider the original proposal by the City of Redmond to incorporate the NE Rose Hill Annexation Area – Phase I (59 acres). At that public hearing, the Board also considered whether King County’s request to expand the proposed action to include the entire NE Rose Hill Potential Annexation Area (184 acres) would merit specific review based on the state law (RCW 36.93) that sets criteria for annexation.

At the conclusion of that hearing, the Boundary Review Board elected (by a vote of 7-3) to continue the public hearing to consider King County’s request for modification of the NE Rose Hill Annexation – Phase I. The Board determined that this review would be appropriate to meet the requirements of state law (RCW 36.93, RCW 36.70A, et al). More specifically, the Board agreed to consider modification of the initially proposed NE Rose Hill Annexation – Phase I at 59 acres to include the entire NE Rose Hill Annexation Area at 184 acres. The proposed boundaries of the modified NE Rose Hill Potential Annexation Area (PAA) are generally described as follows:

- The northern boundary of this entire area is formed by NE 108th Street.
- The western boundary of this entire area is formed by 132nd Avenue NE.
- The southern boundary is generally formed by NE 98th Street (if extended) and by NE 93rd Street .
- The eastern boundary connects Rose Hill to the City of Redmond via 136th Avenue NE, 138th Avenue NE and 140th Avenue NE.

Legal notice having been duly given, a continued hearing was held on August 23, 2004 before a quorum of the Boundary Review Board.

On the basis of the testimony, evidence and exhibits presented at said hearing, and the matters on record in said **File No. 2168**, it is the decision of the Board that the action proposed in said **Notice of Intention** be, and the same is, hereby **approved with modifications** to include the entire NE Rose Hill Annexation Area (approximately 184 acres) described herein as "Option B". The legal description of Option B, the annexation area, as approved with modifications, is attached hereto and marked as "Exhibit I", together with a map showing the boundaries of the area herein marked as "Exhibit II."

In reaching a decision in favor of annexation of the entire NE Rose Hill Potential Annexation Area (184 acres), the Board considered RCW 36.93. (Local Governments – Boundaries – Review Boards), with particular attention to RCW 36.93.170 (Factors) and RCW 36.93.180 (Objectives) in accord with the mandate of the State of Washington. The Board also considered RCW 36.93.150, which establishes the authority for modification of annexation proposals. As further required by the State of Washington, the Board has considered RCW 36.70.A, the Growth Management Act, the State Environmental Policy Act (WAC 197-11), the King County Comprehensive Plan, and the City of Redmond Comprehensive Plan. The Board has also considered other applicable state, regional, and local regulations and guidelines.

The Board is responsible, under state law, to: (1) examine the record (e.g., documents, exhibits, testimony); (2) determine the specific policies and guidelines are applicable to the proposed action; (3) review and balance these elements; and (4) take the action that best advances those elements.

The record for The City of Redmond NE Rose Hill Annexation (File No. 2168) includes, but may not be limited to:

- City of Redmond: Application materials; technical studies; fiscal studies; regulatory analyses; exhibits; narrative statements in support of the proposed annexation; statements in response to opponents' submittals; supplementary documents; testimony by representatives of the City of Redmond;
- King County: Statement invoking jurisdiction; technical studies; fiscal studies; regulatory analyses; exhibits; statements in response to applicant's submittals; supplementary documents; testimony by representatives of King County;
- Public Agencies/Private Organizations/ Individual Citizens: Correspondence; exhibits; technical study data; testimony

The Boundary Review Board has considered File No. 2168 based upon the following descriptions for the proposed NE Rose Hill Area – Phase I (Option A) and the modified NE Rose Hill Area (Option B):

- NE Rose Hill Annexation Area – Phase I (59 acres) (Option A): NE Rose Hill, in its entirety, includes 184 acres. Option A, the initially proposed NE Rose Hill Annexation Area – Phase I includes 59 acres. The City of Redmond proposed the NE Rose Hill Annexation – Phase I in response to petitions from citizens wishing to join the City.

Under Option A, 125 acres of unincorporated properties would remain in the NE Rose Hill Potential Annexation Area but would continue, for the present, under the jurisdiction of King County. Approximately 111 acres of this land is located immediately to the north, west and south of the area described in Option A. Approximately 13.73 acres of land are located south of 134th Place NE.

The population of NE Rose Hill Annexation Area – Phase I (Option A) is approximately 80 people. This area has approximately 32 single-family homes (some of which may be considered for redevelopment) and approximately 11 vacant lots. Under the City of Redmond Comprehensive Plan, and the NE Rose Hill Subarea Plan, a maximum of 170 homes would be permitted in this area including existing homes, redeveloped properties, and newly developed properties. At full development there would be an estimated 440 persons.

Each existing and potential future residence will require a full complement of public services and facilities to ensure the preservation of quality of life and protection of public health and safety.

Annexation would enable Redmond to control development and services to protect the portion of the environment within Willows Basin – including sloped lands, water bodies, flora and fauna -- within the 59 acres included in the Phase I annexation.

At annexation, the City of Redmond will be able to establish service programs for the NE Rose Hill Area. Similarly, the City will be able to set and implement a fee/tax structure for the NE Rose Hill Area.

- NE Rose Hill Annexation Area (184 acres) (Option B): NE Rose Hill, in its entirety, includes 184 acres. Incorporation of the entire NE Rose Hill Annexation Area has been proposed by King County.

The NE Rose Hill Annexation Area, in its entirety, contains approximately 154 single-family homes, approximately 40 vacant residential properties, and the Interlake Sporting Association.

The current residential population of the total NE Rose Hill Annexation Area is approximately 450 persons. Under the City of Redmond Comprehensive Plan, and the NE Rose Hill Subarea Plan, a maximum of 450 homes would be permitted in this area, including existing homes, redeveloped properties, and newly developed properties. The area would be home to an estimated population of 1160 persons.

Upon annexation by the City of Redmond, the Interlake Sporting Association (ISA) could be permitted to continue as a non-conforming use, subject to compliance with safety standards intended to protect persons, property, and habitat.

Under Option B, Redmond would immediately control development and services within the entire NE Rose Hill Annexation Area. Each existing home and potential future residence will require a full complement of public services and facilities to ensure the protection of public health and welfare. The Interlake Sporting Association will require public services as well. At annexation, the City of Redmond will be able to establish service programs for the entire NE Rose Hill Annexation Area.

Annexation would enable Redmond to protect the environment within the entire Willows Basin – including sloped lands, water bodies, flora and fauna). The City will also be able to set and implement a fee/tax structure for the entire NE Rose Hill Annexation Area.

The County and City Plans intend the annexation of the entire 184-acre NE Rose Hill Annexation Area. However, no timeline is provided for such annexation.

RCW 36.93 FACTORS AFFECTING THIS PROPOSAL

The Boundary Review Board finds the following Factors (RCW 36.93.170) to be applicable to the City of Redmond's initially proposed NE Rose Hill Annexation – Phase I (59 acres) (Option A) and to the modified NE Rose Hill Annexation (184 acres) (Option B) proposed by King County.

Population And Territory:

RCW 36.93.170(1) directs the Board to evaluate issues related to Population and Territory. For File No. 2168, including Option A and Option B, the Board considered the following issues to be applicable: land area and land uses; comprehensive plans; topography, natural boundaries and drainage basins; and the likelihood of significant growth in the area during the next ten years. A brief review of key issues related to each applicable element is presented below:

Population Density/Proximity to Other Populated Areas/Land Area/Land Uses:

The record for File No. 2168 reports that the NE Rose Hill Area, in its entirety, is established for annexation in the Redmond Comprehensive Plan "Annexation Element." Redmond surrounds the northern, eastern and southern borders of the NE Rose Hill Area. Kirkland forms the western border of the NE Rose Hill Annexation Area.

The City of Redmond Comprehensive Plan has established land uses and development standards for NE Rose Hill that are equivalent to current designations under the King County Plan. More specifically the County Comprehensive Plan designates NE Rose Hill as an Urban Area. The County Plan permits Residential Uses at a density of four single-family units per acre. The City of Redmond, in a NE Rose Hill Subarea Plan, has designated this area as an urban community suitable for Low Moderate Residential Uses (4-6 units per acre).

NE Rose Hill and neighboring areas are currently substantially developed as an urban residential community. Approximately 60% of the entire NE Rose Hill Annexation Area is suitable for development

or redevelopment with new homes, as well as the public facilities and amenities necessary to support residents. Future residential development – both market rate units and affordable units – would reportedly be generally similar to and essentially compatible with existing housing density and housing form. Permitted residences would also be similar to homes in the surrounding cities of Redmond and Kirkland.

City of Redmond: Redmond representatives report that the NE Rose Hill Annexation under Option A or Option B would address and protect land area, land uses, and land densities consistent with RCW 36.93.170 (Boundary Review Board Act). Annexation under Option A or Option B would also be consistent with the State Growth Management Act (RCW 36.70A). For example, RCW 36.70A.110 calls for cities to designate, annex, develop, and serve lands in urban areas. The City acknowledges that incorporation of the entire NE Rose Hill Annexation Area (Option B) is also consistent, in principle, with King County's Comprehensive Plan, Redmond's Comprehensive Plan, and other state and regional regulations.

City of Redmond officials are supporting annexation only under Option A at this time because this action is consistent with citizen interests. The City is not seeking annexation under Option B, because the City does not wish to require citizens of the entire NE Rose Hill Annexation Area to join the City in violation of their preferences for remaining in unincorporated King County. State law, County policies, and local guidelines permit (and encourage) citizens to initiate the annexation process.

King County: King County reports that the entire NE Rose Hill Annexation Area is included in a single, unified Subarea Plan. Annexation under Option B would comprehensively address and protect land area, land uses, and land densities consistent with RCW 36.93 (Boundary Review Board Act). Option B would also be fully consistent with the State Growth Management Act (RCW 36.70A), King County's Comprehensive Plan, Redmond's Comprehensive Plan, and other applicable regulations.

County representatives stated that Option B offers the most efficient plan for supporting a harmonious built community, preserving the environment, and protecting public health and welfare. A single comprehensive annexation would ensure that new development is consistent within the NE Rose Hill Area and coordinated with residential development throughout the City of Redmond.

Annexation under Option A would fail to comprehensively address and protect land area, land uses, and land densities as prescribed by RCW 36.93.170, the State Growth Management Act (RCW 36.70A), King County's Comprehensive Plan, Redmond's Comprehensive Plan, and other applicable regulations.

Citizen Testimony: The majority of persons speaking about potential annexation of the NE Rose Hill Area reported support for Option A, based upon the petitions for annexation submitted by citizens from the NE Rose Hill Annexation Area – Phase I (59 acres). Citizens favoring annexation stated that residents prefer to join the City to obtain certainty with respect to the future development of their community. More specifically, citizen commitment to Option A is based upon a planning process launched initially in 1998. Citizens of this area have worked with the City to create development and service plans to effectively provide for and support this community. Annexing to Redmond would permit appropriate residential development. Improvements to land uses and services would enhance the quality of life in this area.

There was considerable testimony in opposition to – and limited support for – incorporation of the entire NE Rose Hill Annexation Area (Option B). Opponents testified that annexation under Option B would permit land uses inconsistent with the current area development and population characteristics. For example, some speakers expressed concerns that the existing community will be changed in character from “rural” to urban because City zoning regulations will facilitate development of land at higher densities.

Speakers also reported opposition to annexation of the Interlake Sporting Association properties. There are concerns that City of Redmond land use standards would be too numerous and costly to permit ISA to continue operations. Further, speakers reported that the ISA grounds provide a valuable wildlife habitat. With a potential closure of ISA, the City would be likely to redevelop the land with residences. In that case, this habitat area would no longer exist.

Comprehensive Land Use Plans

The record for File No. 2168 reports that the provisions of the King County Comprehensive Plan and the City of Redmond Comprehensive Plan guide annexations in the City of Redmond.

KING COUNTY: RCW 36.93.157 requires the Boundary Review Board to consider actions in relationship to the King County Comprehensive Plan/Countywide Policies. The County Plan, adopted in response to the Growth Management Act (GMA), includes goals and policies that address land uses and public services.

For example, King County Comprehensive Plan/Countywide Policies call for contiguous orderly growth of local jurisdictions (e.g., U-304, U-208, U-301, U-304.). Policies also establish cities as the appropriate providers of local governance and urban services (e.g., FW-13, CO-1, CO-3; LU-31, LU-32, LU-33, LU-34, LU-36). More specifically, King County Policy LU-31 requires cities to designate potential annexation areas to include adjacent urban lands and to eliminate unincorporated islands between cities. Policy LU-32 calls upon cities to incorporate lands within annexation areas into city boundaries. Similarly, the Plan supports cities as basic governing units and service providers (e.g., FW-13, LU-31.).

CITY OF REDMOND: The City of Redmond Comprehensive Plan, also adopted as prescribed by the Growth Management Act, similarly includes goals and policies that provide the basis for annexation, land use decisions and for public services to development in this community. The NE Rose Hill Area, in its entirety, is established for annexation in the Redmond Comprehensive Plan "Annexation Element."

For example, the annexation of NE Rose Hill Area is consistent with City of Redmond Comprehensive Plan policies addressing land incorporations. Policies A-14 and A-18 support annexation of urban areas. Other provisions also call for inclusion of urban areas and provision of services (e.g., A-44 – A-53, LU 378, LU-379, LU-380, LU-383, LU-386, LU-394). Policies UT-2, UT-8, and UT-10 call for the City to provide reliable, quality utilities and other public services. Other policies address environmental protection, permit appropriate infrastructure, and provide similar guidelines. Redmond's Comprehensive Sewer/Water Plan and Storm Water Management Plan also call for the City to provide coordinated services within its corporate limits.

City of Redmond: Redmond representatives reported that the City supports the provisions of state law and regional authorities that mandate logical orderly growth of urban areas. To that end, the NE Rose Hill Annexation Area is included in the City's adopted Comprehensive Plan as a Potential Annexation Area. This Comprehensive Plan and the Potential Annexation Area Plan were developed, as required by state law, with substantial input from the community. Opportunities for community involvement included numerous general and specific written materials together with community meetings. Citizens' groups also participated in planning for specific subareas within the City of Redmond and within the City's Potential Annexation Areas. The resulting Comprehensive Plan and the Potential Annexation Area Plan have been approved by the State of Washington.

Redmond representatives are proposing the NE Rose Hill Area – Phase I Annexation (approximately 59 acres of the total 184-acre Annexation Area) based upon the interests of the citizens. Specifically, the citizens have submitted a petition to annex this 59-acre area; property owners representing at least 60% of the assessed valuation of the property have signed this petition. Consistent with the Redmond Plan, several property owners are seeking annexation in order to develop properties. Some property owners are also seeking to annex to qualify to receive sewer services to replace failing septic systems.

While the City's ultimate goal is the annexation of the entire NE Rose Hill Potential Annexation Area, incremental incorporation is appropriate in this situation, as there is no current community support for comprehensive incorporation of NE Rose Hill. More specifically, the registered voters of this area considered annexation in an election conducted in 2003. The annexation proposal was defeated at that election. The City believes that it is appropriate to defer to the preferences of community at this time.

The City prefers to undertake annexation as a phased action in order to gain citizen support for joining the City. City representatives believe that the proposed Option A would meet minimum King County Comprehensive Plan guidelines because it places a portion of the City's Potential Annexation Area within the City's jurisdiction. City representatives state that there is precedent for incremental annexation, as proposed through the NE Rose Hill Annexation – Phase I.

While the City does not support Option B at this time owing to opposition to annexation by citizens, the City intends to pursue separate, future proposals for annexation of the entire NE Rose Hill Annexation Area as prescribed in the Redmond Potential Annexation Area Plan. The City will continue to invite residents of the entire 184-acre area to join the City.

The City is willing and able to serve the area when citizens join the community. Under the provisions of the King County Comprehensive Plan and the City of Redmond Comprehensive Plan, the jurisdiction has defined programs to govern and directly provide (or contract for) full range of urban services upon annexation. City staff reported that sufficient resources exist now and/or will be available in a reasonable period of time, to enable the City to directly provide public facilities/services to the community.

King County: Michael Thomas reported that King County has considered the City of Redmond's NE Rose Hill (Option A) annexation proposal with the intention of ensuring a balance among the plans and regulations of the State, the County, and the affected local jurisdictions. The County also seeks to ensure the provision of sound, cost-effective governance for community members.

Mr. Thomas stated that annexation of the entire NE Rose Hill Potential Annexation Area (Option B) will achieve the balance that the County seeks from incorporations. More specifically, Mr. Thomas stated that Option B would achieve the greater consistency with both with the King County Comprehensive Plan and the Redmond Comprehensive Plan. King County Comprehensive Plan/Countywide Policies encourage annexation of urban lands and supports cities as basic governing units/service providers.

Mr. Thomas reported that County officials and service providers have expressed concerns that balance is lacking for the proposed more limited Option A, NE Rose Hill Annexation – Phase I. For example, Option A creates less practical boundaries and permits more fragmented development plans and service areas than would occur with Option B (184 acres). Option B achieves greater consistency with the intent of the County Comprehensive Plan and the City Plan. Option B would provide for unified development standards and service systems.

Under the County Plan, annexations should occur at the earliest feasible date (i.e.,- when cities have conceptual land use plans, service plans, and available service resources). Of special interest to the County is the desirability of annexing small isolated urban areas, such as NE Rose Hill. King County does not have the resources to manage land uses in unincorporated islands,

Mr. Thomas also reported that the Redmond Comprehensive Plan establishes the City's commitment to annexation of the entire NE Rose Hill Area. County officials believe that incorporation of the NE Rose Hill Annexation Area to the City of Redmond will provide citizens with more effective, efficient governance and service as envisioned in the state, regional, and local plans and regulatory authorities. The City of Redmond has the necessary plans to regulate existing land uses and support reasonable levels of new development. Annexation of NE Rose Hill will provide residents with local governance and needed public services/facilities. Therefore, the annexation of the entire 184-acre NE Rose Hill Potential Annexation Area to the City of Redmond is consistent with King County policies.

Citizen Testimony: Speakers stated that annexation of the entire NE Rose Hill Area will likely occur based upon the provisions of the County Comprehensive Plan and the City Comprehensive Plan. However, each plan calls for orderly growth and phasing of annexation based upon citizen interest. There was testimony that laws (e.g., Comprehensive Plans, Growth Management Act) encourage, but do not mandate annexation, unless there is a compelling reason to do so.

Citizen petitions confirm community interest in annexation under Option A. Community members supporting the annexation reported that this action is consistent with the intent of comprehensive planning for land annexations. Those speakers testified as to their preference for joining Redmond in order to participate in the land use planning and service planning efforts for the NE Rose Hill Annexation Area.

There is no similar stated support for annexation under Option B at the present time. More specifically, the registered voters of this area considered and defeated an annexation proposal in 2003. While the number of voters was small, voter turnout was substantial. Subsequent community surveys indicate no greater support for annexation at this time. Although annexation by administrative action may be permitted under the law, this action would not be appropriate in the absence of an overriding public purpose to require annexation now.

Some citizens reportedly would be willing to consider annexation to Redmond at a future election because annexation based upon the will of the voters reflects confidence in and support for the City. Annexation by administrative decision indicates future local governance that does not consider citizen interests. Thus, it was stated that public opinion should dictate annexation timing and location.

TOPOGRAPHY, NATURAL BOUNDARIES AND DRAINAGE BASINS:

The record for File No. 2168 reports that the NE Rose Hill Annexation Area is characterized by topographic diversity, including level areas and sloped areas. The entire NE Rose Hill Annexation Area is within -- and at the highest point of -- the natural geographic area formed by the Willows Drainage Basin.

Annexation would affect legal boundary lines rather than topographic boundaries. Therefore, annexation would not alter the existing topographic features (e.g., natural boundaries).

City of Redmond: The City has adopted has regulatory controls to protect environmentally sensitive areas. These controls acknowledge and address such areas as steep slopes and habitats. Under Option A, a 59-acre area will come under the protection of the City. The City of Redmond will direct growth in that area in a manner that is consistent with environmental protection standards. The City will also provide public facilities and services to protect the environment within Willows Basin – including sloped lands, water bodies, flora and fauna.

King County: County officials report that area topography and other natural features would be better protected by incorporation of the NE Rose Hill Annexation Area to the City of Redmond under Option B. Under Option B, the Redmond will direct growth throughout NE Rose Hill, as prescribed by the Comprehensive Plan and Subarea Plan, in a manner that protects the integrity of the environment. The City will also provide public facilities and services to protect the environment within Willows Basin – including sloped lands, water bodies, flora and fauna. Development plans and standards for environmental protection will be immediately consistent throughout the entire NE Rose Hill Area.

Under Option A, the City of Redmond will direct growth and services and will enforce environmental standards in a limited area. The County will continue to govern a portion of the NE Rose Hill Area. Variable standards may result in reduced environmental protection.

Citizen Testimony: Some speakers contended that annexation of the NE Rose Hill Area is not consistent with the Growth Management Act mandate for orderly growth and King County Comprehensive Plan policies for protection of the natural environment. For example, the City of Redmond has failed to address citizen concerns for protection of the natural environment (e.g., wildlife habitat). With each annexation proposal, new development and public facilities/services would occur that would be destructive to the natural environment and the built environments.

Community members favoring the annexation believe that the action would not change or negatively affect area topography or other natural features. Local standards for land use development and for services would control growth and protect the environment.

Likelihood of Significant Growth in the Area During the Next Ten Years:

The record for File No. 2168 anticipates that Rose Hill will likely experience growth over the next ten years. NE Rose Hill is currently substantially developed as an urban residential community. However, approximately 60% of the entire NE Rose Hill Annexation Area is suitable for development or redevelopment with new residences. Future development of residences – both market rate units and affordable units – would be permitted in the NE Rose Hill Annexation Area.

City of Redmond: Redmond staff stated that annexation under Option A or Option B will not directly affect existing land use designations, zoning classifications, or address land development. The City does, however, anticipate future growth in NE Rose Hill. Following annexation, all land uses would be required to meet City of Redmond Comprehensive Plan policies and municipal development standards. Future development would be guided by a Subarea Plan.

Option A and would allow incremental/partial coordination of land uses and services consistent with development and services provided to the existing City of Redmond. This incremental annexation is appropriate because it will allow the City to guide development for those properties whose owners choose affiliation with the City.

Option B would provide the greater opportunity for overall coordination and control of new development. However, the City would prefer to govern and serve only those property owners who wish to annex to

Redmond. As King County provides only limited services, it is likely that any property owner wishing to develop or redevelop land would need to annex to Redmond to achieve that development.

King County: Michael Thomas reported that the County anticipates that some new development and redevelopment will occur in NE Rose Hill in the foreseeable future, as NE Rose Hill is defined as an urban area under state, regional and local plans. These guidelines encourage growth in urban areas.

Mr. Thomas stated that the immediate incorporation of the entire NE Rose Hill Annexation Area (Option B) is appropriate so that development, services and amenities are subject to and coordinated under City plans, Subarea Plans, and local regulations to ensure orderly growth. Local development standards would be a tool to protect the quality of life and enhance a sense of community. Annexation would bring essential, reliable local sewer services, water services and other services. The City could more efficiently serve the entire area under consolidated municipal standards.

Citizen Testimony: Speakers objecting to annexation reported that new development would be encouraged with each of the annexation options. Significant growth would be likely to occur. These citizens are not confident that the City of Redmond NE Rose Hill Subarea Plan will protect the quality of life. At annexation, they anticipate higher densities and reduced development standards. More residents will, in turn, require more services and facilities (e.g., roadways, schools) that will lead to poorer quality of services, increased costs, and/or greater impacts to/use of limited resources.

Community members favoring annexation of their properties into Redmond stated that this action would enable existing and new residents to benefit from new development and redevelopment under unified Subarea Plan standards. The Subarea Plan was developed by the City of Redmond working with a local citizens group. The Subarea Plan is designed to permit citizens to live in an attractive community and to receive services from a local jurisdiction.

MUNICIPAL SERVICES

RCW 36.93.170(2) directs the Board to evaluate issues related to Municipal Services. For File No. 2168, the Board considered the following issues to be applicable: need for municipal services; effects of ordinances, governmental codes, regulations and resolutions on existing uses; present cost and adequacy of governmental services and controls in area; probable future need for such services; costs; effect on the finance, debt structure and contractual obligations; and rights of all affected governmental units. Following is a brief review of key issues related to each applicable element.

CURRENT NEED FOR MUNICIPAL SERVICES; PROBABLE FUTURE NEEDS FOR SERVICES AND CONTROLS: File No. 2168 records report that NE Rose Hill requires municipal services for current development. The City of Redmond has planned for future residential development at densities suitable for this urban community. Future development will also require municipal services. In keeping with the State Growth Management Act and the King County Comprehensive Plan, the City of Redmond has established municipal services plans for the NE Rose Hill Annexation Area. More specifically, King County Comprehensive Plan Goal FW-12 calls for provision of adequate services and facilities for development. FW-13 states that cities are the appropriate provider of local urban services to Urban Areas. FW-29 and FW-30 address the need for jurisdictions to plan for and coordinate services. Numerous King County/Countywide Policies are also relevant, including, but not limited to those policies that address requirements for urban services. For example, U-304 states that annexation should be supported for lands where the annexing city is able to plan for and serve these areas. Additionally, annexation is appropriate under Countywide Policy CO-1, when a jurisdiction has “identified and planned for (a) full range of urban services”. CO-9 calls for sewers and water to be provided to meet local needs, but cannot serve to justify development counter to Countywide Policies. CO-10 states that urban water and sewer systems are preferred (or required) for new development. Septic systems may continue to serve existing developments so long as density and physical conditions are appropriate.”

The Redmond Comprehensive Plan, Service Plans, and Subarea Plan establish the City as the service provider (directly or by contract) to properties within the City. Upon annexation, the City of Redmond would include the NE Rose Hill Area properties in its Service Area. Then, as is customary, specific service plans and programs would be developed for the particular service areas.

The City will provide a full array of public services to its citizens, including sewer services, water services, storm water management systems, roadways, together with fire service, medic services, and police service. For example, water is provided through a regional system under an interlocal agreement and contract. Redmond provides fire service and emergency services through a contract with Kirkland. City of Redmond residents would continue to have access to schools, libraries and recreation facilities.

This approach to planning and implementation of service programs is consistent with a Washington Supreme Court decision (*Richland v. Boundary Review Board* – 1984).

Under the law and existing interlocal agreements, the City of Redmond must provide services to properties within city limits. There is no obligation by law or by agreement for the City to serve unincorporated areas.

City of Redmond: Redmond representatives reported that, while plans are in place for service the entire NE Rose Hill Annexation Area, the City prefers to annex only NE Rose Hill Annexation Area – Phase I (Option A) at this time. Option A addresses the preferences of those citizens that wish to join the City and the preferences of those citizens who wish to remain in unincorporated King County for the present.

Redmond representatives will continue to work with those community members to encourage annexation. Future petitions to join the City are anticipated, as annexation is required to permit redevelopment and to access public services. King County has documented septic system failures in the NE Rose Hill Area; additional failures are likely to occur. Residents on septic systems cannot improve their properties (e.g., remodel, build additions, or build new structures on vacant parcels). Redmond is not obligated by law or by contract to serve properties outside of city limits.

King County: Mr. Thomas reported that the Option B annexation plan provides for a logical municipal service area and promotes more efficient, economic control of services. Option A, annexation of a 59-acre area, is not consistent with this criterion. The absence of a specific plan to complete annexation of the remaining 125-acre NE Rose Hill Potential Annexation Area is troublesome. More specifically, the Option A annexation plan will result in inconsistent service provision because various County providers and local providers will be required to serve areas that are not clearly delineated. Services will be less effective, less efficient, and more costly. Service availability will be fragmented as well.

Option B would provide for the most efficient, effective service area. The City can operate services/infrastructure more efficiently if essential improvements are coordinated for the community as a whole – including the entire NE Rose Hill Annexation Area. Immediate annexation of the entire NE Rose Hill Annexation Area would be timely to address existing and potential future septic system failures.

Further, the annexation area would be better served by the City of Redmond, as a single provider, than by multiple service providers, such as King County, Kirkland and Redmond. Insufficient services and/or duplicative services (e.g., emergency management) are inefficient, costly and can be dangerous as well. The City's commitment to provide full services reflects regulatory guidelines (e.g., RCW 36.70A) and citizens' preferences for the convenience of a single provider for all services. On this basis, King County supports annexation of the maximum portion of the NE Rose Hill Area that is permitted under the law – Option B.

Citizen Testimony: Opponents of annexation reported that the area is currently receiving satisfactory public services. For example, Redmond provides water to the area through a contract with the City of Kirkland. Fire services are provided as well. There are no police service problems because there are multiple providers – citizens prefer to have multiple service providers because they can get the most timely response to service calls. .

Some speakers suggested that support for sewers is not based on service requirements, but reflects the property owners' interest in developing lands, and profiting from, more intensive land uses. New services are reportedly unnecessary; services would be unreliable and costly. Thus, there is reportedly no valid reason for the annexation.

Citizens favoring the annexation report a preference for coordinated services as promoting public health and safety. Coordinated services are more reliable and less costly. Those persons who wish to develop or redevelop land wish to annex because septic system limits made it impossible to repair, remodel or

build additions to existing homes. Frequently, new development is limited or prohibited on vacant, otherwise usable land. Those speakers support immediate annexation.

EFFECT OF ORDINANCES, GOVERNMENTAL CODES, REGULATIONS AND RESOLUTIONS ON EXISTING SERVICES:

Authorities applicable to the NE Rose Hill Annexation include, but are not limited to: RCW 36.93, RCW 36.70A, RCW 35.13, King County Comprehensive Plan/Countywide Policies, the Redmond Comprehensive Plan and its enabling regulations (e.g., zoning code). These State and local authorities are intended to ensure reasonable development regulations and adequate public services to local communities.

City of Redmond/King County: Redmond representatives and King County staff concur that applicable state, regional and local legal guidelines support the annexation of NE Rose Hill to Redmond. For example, the King County Comprehensive Plan and the Redmond Plan establish policies and standards call for coordination land uses and provision of services and facilities in conjunction with an annexation. Annexation of the NE Rose Hill Area would allow the City to guide growth and provide services.

The City, however, supports Option A as this more limited annexation would permit Redmond to begin the process of guiding growth and providing services for those citizens seeking local governance and service. King County favors the Option B annexation plan because that more inclusive annexation would permit Redmond to provide coordinated land uses and systems/facilities throughout NE Rose Hill.

Citizen Testimony: Opponents of the annexation contend that annexation – at least under Option B – would violate the law. The annexation is reportedly premature because: (1) plans and regulations do not stipulate that annexation must occur at this time; (2) the detailed plans/regulations do not yet exist to ensure compatible land uses and adequate public services and (3) no emergency exists to justify annexation. These speakers contend that a statutory reason (i.e., a documented immediate problem to solve) is necessary to warrant an annexation where citizen petitions do not support action to join the City.

Community members supporting annexation cited provisions of RCW 36.70A, the County Comprehensive Plan, and Redmond Plans and regulations as supporting the annexation to permit safer sewer systems and reasonable land uses.

PRESENT COST AND ADEQUACY OF GOVERNMENTAL SERVICES AND CONTROLS; PROBABLE FUTURE NEEDS FOR SUCH SERVICES AND CONTROLS

PROBABLE EFFECT OF PROPOSAL OR ALTERNATIVES ON COST AND ADEQUACY OF SERVICES AND CONTROLS

EFFECTS ON FINANCE, DEBT STRUCTURE AND CONTRACTUAL OBLIGATIONS OF ALL AFFECTED GOVERNMENTAL UNITS

City of Redmond plans and regulations anticipate future needs for services and establish service controls for its annexation areas, including Rose Hill. Redmond representatives reported that municipal plans and programs, in combination with other resources, would enable the City to provide all residents with quality, reliable land uses and services. Redmond has demonstrated, by service to other areas within its jurisdiction, the ability to marshal the technological resources necessary to provide safe, reliable services to all of its customers following the addition of the NE Rose Hill Annexation Area to the City.

For example, the unincorporated NE Rose Hill Annexation Area currently receives water from the City of Redmond. Emergency services are provided directly by Redmond, or through interlocal contracts with the City of Bothell and the City of Kirkland. The King County Sheriff provides police services. Redmond currently regulates and provides services (directly or through contract agreements) to all households and businesses within its boundaries.

Sewer services and storm water services are not available in the NE Rose Hill Annexation Area at the present time. As permitted by state law, the City of Redmond requires annexation to provide services to properties. The City is not required to provide services to properties outside of city boundaries; the City does not have any agreement or franchise to provide services to unincorporated areas. Upon annexation, sewer and storm water management systems would be provided to NE Rose Hill.

Redmond representatives stated that fiscal studies report that the City would be able to sustain levels of service at reasonable rates. While changes in taxation patterns will occur at annexation, citizens will not

experience major changes in taxation rates. For example, residents currently pay a tax to Fire District No. 34. That fire district tax would continue for 18 months following annexation. Then the tax would be replaced by a tax paid to the City of Redmond in a combined services package. Under the combined levy system, the tax rate would actually be reduced.

Residents would also cease to pay County taxes for services. While the County will lose taxes, the County will not experience a net financial loss, as the County will no longer need to provide services to the area following annexation.

City of Redmond: City representatives stated that an annexation under Option A would have a positive effect on finance, debt structure, and contractual obligations for the City of Redmond and King County.

The Option A annexation would offer some members of the NE Rose Hill community the opportunity to be a part of the City. Incorporation into Redmond would permit future land uses, infrastructure and other public services to be developed based upon City regulations and services. Inefficiencies resulting from the lack of public services or from multiple service providers would be reduced with this annexation. Costs could be reduced in conjunction with improved coordination of service.

However, benefits would be available only to the residents within the annexed areas.

King County: Mr. Thomas reported that King County concurs that Redmond has basic plans and resources to provide services – including sewer, water, emergency aid, schools, parks and libraries. The City can function efficiently, economically and effectively as a sole service provider. As such, Option B would provide the most effective streamlined government services, because it facilitates cohesive policies, standards, service amenities, and operations throughout the Rose Hill Area and links this entire area to the existing City. Option B offers the most complete coordination of services.

Further, King County cannot provide equivalent services at a reasonable cost. Annexation would benefit the County, because the County would cease to be responsible for providing local urban services to this community. Limited County resources could be redirected to regional and rural services.

Citizen Testimony: Opponents stated that Redmond has no viable plans for annexation – citing the absence of detailed plans for land uses, sewer services, other community services and infrastructure. Some speakers reported that they would prefer to remain with the County until Redmond develops acceptable plans for development and service to the area. Until such plans are developed, citizens are unable to determine whether/when annexation would benefit residents by improving quality of life, reducing costs, and/or protecting public welfare.

Several community members offered testimony favoring the annexation. They stated that coordinated services would be more consistent and reliable under local controls. Municipal development standards would protect all residents. System failures would be reduced. Costs would be more predictable.

PROSPECT OF GOVERNMENT SERVICE FROM OTHER SOURCES: The record for File No. 2168 supports the finding that the City of Redmond is the authorized and logical service provider for the NE Rose Hill Annexation Area. State and regional guidelines encourage municipalities to provide local services.

City of Redmond/King County: Redmond reportedly has plans and agreements in place necessary to provide services that are consolidated, reliable, consistent, and economic for all consumers.

King County reportedly has limited resources to provide local services to unincorporated urban areas, including NE Rose Hill. Thus, King County is not an appropriate service provider. No other jurisdiction or provider is prepared to serve the NE Rose Hill Area.

Mr. Thomas attested to the importance of coordinating all public utilities under a single local government to provide responsible, responsive services. .

Citizen Testimony: Opponents of annexation report that they prefer to continue to reside in and receive services from King County. Alternatively they would prefer to join and receive services from Kirkland.

(Note: The City of Kirkland is not authorized to annex NE Rose Hill. Kirkland City officials have provided for the record a letter confirming that the City would not have an interest in annexing NE Rose Hill. The City will serve the area only through contracts with Redmond.)

Residents supporting annexation believe they would benefit from better services and other advantages as citizens of Redmond.

OTHER MUNICIPAL SERVICES: Materials in File No. 2168 report that Redmond currently provides municipal services to its residents either directly or through interlocal contracts (e.g., sewer, water, storm water, roads, schools, parks, recreation, libraries). The City is proposing to provide similar local services/facilities to NE Rose Hill citizens upon annexation to Redmond.

Redmond has notified other municipalities and government agencies of the Rose Hill Annexation Area proposal, including the City of Kirkland, King County, the State Health Department, Fire District, Police Department, School District, Water District and other local and regional agencies. These agencies have not raised any objection to Redmond's annexation application and/or service plans.

EFFECTS OF PROPOSAL

RCW 36.93.170(3) directs the Board to evaluate issues related to effects of the proposal. For File No. 2168, the Board considered the following issues to be applicable: the effects Option A and Option B on adjacent areas, mutual economic and social interests, and local government structure. Below is a brief review of key issues related to each applicable element.

Mutual Economic and Social Interests/Local Government Structure:

The record for File No. 2168 considers effects to economic and social interests and to local government structure. The NE Rose Hill Annexation Area is an urban residential community, characterized by single-family homes and vacant properties suitable for new residential development. The eastern portion of NE Rose Hill includes open space which is characterized by steep slopes, substantial vegetation, and wildlife habitat.

NE Rose Hill is linked by several features to the City of Redmond. For example, NE Rose Hill is bordered on three sides (north, south, and east) by Redmond. Nearby properties within the City are developed with homes that are similar in type and density to the residential development in NE Rose Hill. The western boundary of NE Rose Hill is 132nd Avenue NE. That arterial serves the adjacent City of Redmond.

The City of Redmond provides many services to the citizens of NE Rose Hill. Redmond provides commercial centers and professional services that are available to the citizens of NE Rose Hill. The City of Redmond also includes employment center and recreational/entertainment facilities that are available to the citizens of NE Rose Hill.

NE Rose Hill is also linked to the City through the Redmond Comprehensive Plan. That Comprehensive Plan establishes NE Rose Hill for future annexation to the City.

The NE Rose Hill Annexation Area is also near to the City of Kirkland. Kirkland residential development is similar to development in the NE Rose Hill Annexation Area. Shops and services are accessible to NE Rose Hill citizens via 132nd Avenue NE. However, the City of Kirkland has reported no interest in seeking authority from the City of Redmond or the State of Washington to permit annexation of NE Rose Hill.

Redmond is prepared to govern and to provide full services to NE Rose Hill upon request by the citizens to join the City. Affiliation with the City would enable citizens to participate in governance of the community – including land use planning, service planning, fiscal planning and planning for public amenities to serve the community.

City of Redmond: Redmond representatives stated that, in keeping with the mutual social and economic interests of the NE Rose Hill Area citizens, the City supports annexation of NE Rose Hill.

At this time Redmond seeks approval only for the proposed NE Rose Hill Annexation – Phase I (Option A), in order to accommodate the property owners who wish to join the City. Redmond representatives stated that their support for Option A is based upon state law that provides for citizens – that is, property owners and/or registered voters -- to initiate proposals for annexation. In order to achieve annexation, agreement must be achieved among the citizens, the City, and the County. To date, various

incorporation plans proposed for the entire NE Rose Hill Annexation Area have failed to gain the necessary citizen support

City officials report that the NE Rose Hill Annexation – Phase I (Option A) is permitted by RCW 36.93 (Boundary Review Board Act), State Growth Management Act (RCW 36.70), King County Comprehensive Plan, Redmond Comprehensive Plan, and other applicable state and regional regulations.

Option A is reportedly also consistent with the King County Executive's Annexation Initiative, which supports transition of lands from the County to local jurisdictions at the earliest feasible date. Annexation under Option A would enable the City to begin the process of integrating the entire NE Rose Hill Annexation Area into the local community. Incorporation under Option A would enable those citizens who wish to annex to Redmond to immediately begin to participate in local governance. Citizens would be able to develop properties under consistent municipal regulations. The City of Redmond would provide reliable, affordable services. Citizens would benefit from affiliation with the City of Redmond.

City of Redmond officials recognize that RCW 36.93 permits the Boundary Review Board to consider the request by the King County Executive to expand the proposed NE Rose Hill Annexation – Phase I. The Board could require the City of Redmond to immediately incorporate the entire NE Rose Hill Annexation Area (184 acres).

While the City's ultimate goal is the incorporation of the entire Potential Annexation Area, Redmond representatives reported a concern that a Boundary Review Board decision to require immediate annexation of the 184-acre NE Rose Hill Area would fail to support effective local government. More specifically, the City believes that this action is likely to result in a legal challenge due to the fact that annexation is inconsistent with the will of the citizens. Whether or not a legal challenge succeeds, the challenge will effectively disrupt the incorporation of the 59-acre NE Rose Hill Annexation Area. In this circumstance, citizens who wish to join the City of Redmond would be unable to do so. Governance and service to the area would be further fragmented and would be costly to both governments and citizens.

The City believes that while the Board must not be governed by the prospect of litigation, the Board does consider the voice of the people. The City believes that the Board may appropriately defer to the preferences of community members.

While Redmond officials support incremental annexation under Option A at the present time, the City continues to have as its ultimate goal the incorporation of the entire NE Rose Hill Annexation Area. The City intends to phase incorporation of the entire 184-acre NE Rose Hill Annexation Area under separate, future proposals based upon citizen interest in joining this community.

The City has been working with citizens since 1998 to develop annexation plans that address the interests and preferences of the citizens. The City undertook this work with the community because City officials believe that incorporation of the entire NE Rose Hill Annexation Area in a single action would be the ideal method for providing unified governance and service to the area. At present, the various annexation plans have interested only a minority of the citizens of the entire NE Rose Hill Annexation Area. To date, the City has succeeded only in attaining support from a majority of the residents of NE Rose Hill Annexation Area – Phase I (Option A) for incorporation into the City.

The City will continue to consider a range of options for phasing annexation of the remaining NE Rose Hill properties. Redmond officials will continue to work with the residents of the unincorporated area in order to plan for those persons to annex to the City. Redmond has established no specific timeline for annexation however, the City hopes to incorporate the entire NE Rose Hill Annexation Area within three years. The City is willing and able to serve the entire NE Rose Hill Annexation Area as its citizens join the community.

King County: Mr. Thomas reported that the County Executive believes that it is in the best interests of all parties for the entire NE Rose Hill Annexation Area to immediately join the City of Redmond. Immediate annexation under Option B is consistent with State law, the King County Comprehensive Plan, and the City of Redmond Comprehensive Plan because incorporation of NE Rose Hill into the City of Redmond promotes strong and unified local government. State law does not support fragmentation of communities.

Immediate annexation under Option B better promotes balanced governance than incremental annexation with no specific timeline for such future phased action. Annexation under Option B ensures a

viable community. Annexation under Option B promotes uniform governance, coordinated development, and efficient, economic services. Incorporation of the entire NE Rose Hill Annexation Area would preserve social cohesion, support economic health, and protect public safety and welfare.

RCW 36.93.150 clearly allows the Boundary Review Board to approve the incorporation of the entire NE Rose Hill Annexation Area. Precedent supports modification of proposed annexations to achieve the provisions of RCW 36.93 and the State Growth Management Act. Similar actions have been approved in King County, Spokane County and Clark County.

Citizen Testimony: Persons opposing annexation stated that a substantial portion of the community is pleased with the existing quality of life and service level under the jurisdiction of King County. Annexation reportedly conflicts with overall citizen interests. Some speakers stated that annexation to permit development or to receive services is not a valid purpose for annexation. Rather there is concern that Redmond does not have appropriate resources to govern or serve NE Rose Hill. Redmond's efforts would reportedly break a working system provided by King County.

Some persons testified that incorporation of the entire NE Rose Hill Annexation Area is likely inevitable, based upon the Growth Management Act and the Redmond Comprehensive Plan. However, the speakers reported that laws and policies of the State and of the City of Redmond provide for annexation to be initiated by citizens. The limited number and irregular pattern of petition signatures for the NE Rose Hill Area reportedly indicates lack of interest in annexing to Redmond. Speakers testified that King County is responsible to govern and serve NE Rose Hill until citizens choose to join the City of Redmond.

Persons favoring annexation believe that the City would provide for environmental protection, equitable land use, reliable, and accessible services. They would like to participate in community planning for Redmond. Joining Redmond would bring social and economic benefits.

OBJECTIVES

The Boundary Review Board has considered RCW 36.93.180 (Objectives), as follows:

RCW 36.93.180 (1) Preservation of natural neighborhoods and communities: This Objective calls for preservation of neighborhoods. The record for File No. 2168 confirms that the King County Comprehensive Plan designates the NE Rose Hill Area and surrounding municipalities as Urban Areas. The City of Redmond Comprehensive Plan anticipates annexation of NE Rose Hill in order to guide growth here and to provide coordinated services.

City of Redmond: City of Redmond officials reported that annexation under Option A would constitute the first segment in a planned series of phased annexations of the entire NE Rose Hill Area. Annexation under Option A would be consistent with the objective of preserving the natural neighborhood – defined by case law as “either geographically distinct areas or socially... distinct groups of residents”.

Annexation under Option A would provide stronger links between NE Rose Hill and Redmond. More specifically, at annexation, Redmond will regulate use and development of the NE Rose Hill properties consistent with the City's Comprehensive Plan, NE Rose Hill Subarea Plan, and Zoning Regulations and Environmental Regulations. The NE Rose Hill Annexation Area will continue to be designated for residential uses. The primary use would be single-family development at 4-5 dwelling units per acre, which is similar to the zoning designation/density established by the County. In limited sections the City would permit more innovative cottage housing. The uses and designations proposed for NE Rose Hill are similar to those established for surrounding areas within Redmond and the nearby City of Kirkland.

The Option A annexation plan is based upon citizen interest in joining the City of Redmond. Annexation will give property owners/residents a voice and a vote in planning for the future preservation and development of their community. Successful governance of these properties should serve to encourage interest by other NE Rose Hill Area citizens in joining the City of Redmond.

King County: King County representatives report that Option B would more effectively advance RCW 36.93.180 (Objective 1). Annexation of the entire NE Rose Hill Potential Annexation Area into Redmond more effectively preserves the community as the entire NE Rose Hill Area, at 184 acres, forms a neighborhood. Further, the NE Rose Hill Area, in its entirety, exhibits many features that support its link with the City. Both NE Rose Hill and the adjacent City are residential in character, with compatible

density levels and design in structures and other neighborhood amenities. Demographic profiles are similar. Residents of the City and the NE Rose Hill Annexation Area use common community facilities – schools, roadways, libraries, shopping centers, parks, and recreation facilities.

At the time that Redmond developed its Comprehensive Plan, the City made a commitment to annex the entire NE Rose Hill Annexation Area. The City has already included the NE Rose Hill Annexation Area in community planning programs. For example, the NE Rose Hill Subarea Plan establishes the entire NE Rose Hill Annexation Area for like land uses and development standards. Environmental protection ordinances are based upon area-wide land elements (e.g., Willows Drainage Basin). Annexation will give property owners/residents an opportunity to participate in a greater range of community activities and decisions. Citizens incorporating into the City of Redmond would develop their properties under uniform standards, benefit from similar amenities, and receive coordinated public services.

Option A, the proposed 59-acre annexation, will result in an unincorporated island of 125-acres, creating a patchwork community, with varying governance standards, differing services, and inconsistent environmental protection standards. Annexation under Option A would fragment the neighborhood. .

Mr. Thomas stated that the County Executive recognizes that citizens declined annexation in an election conducted in 2003. Nonetheless, the County supports the annexation of the entire NE Rose Hill Annexation Area at this time, because this incorporation would be consistent with state, regional and local guidelines. Further, Redmond officials have gone to great effort to plan to effectively govern and serve this area as a part of a unified community. Annexation at this time will benefit the citizens.

Citizen Testimony: Persons testifying in opposition to annexation contended annexation would destroy the neighborhood by encouraging social and physical disintegration in the community. For example, the character of the existing “semi-rural” community will disappear as urban services (e.g., sewer, roads) facilitate more dense land uses. The absence of community support for joining Redmond is confirmed by the difficulty in obtaining a sufficient number of signatures to annex the entire 184-acre area.

There was testimony that citizens prefer to remain in unincorporated King County. If annexation is required, a majority of persons would reportedly prefer to annex to Kirkland as they feel an affiliation to that city, based upon its nearby location, accessibility, and availability of shopping, employment, and public amenities.

RCW 36.93.180 (2) Use of physical boundaries, including but not limited to bodies of water, highways, and land contours: This Objective calls for physical features to form annexation boundaries. The record for File No. 2168 defines NE Rose Hill as an area that, based upon its physical boundaries, is appropriate for annexation to Redmond. For example, the City of Redmond surrounds Rose Hill on the north, east and south borders. The City and Rose Hill share 132nd Avenue NE as their western boundary. The City and Rose Hill are both located entirely within the Willows Creek Drainage Basin.

“Social neighborhoods” are also construed as boundaries by the Washington Supreme Court (*King County v. Boundary Review Board – 1993*). Based upon this case law, the City and the entire NE Rose Hill Annexation Area are defined as sharing a social affiliation. The communities form a single social neighborhood.

City of Redmond: City of Redmond representatives stated that the proposed NE Rose Hill Annexation – Phase I (Option A) is based upon appropriate physical boundaries (RCW 36.9.180 - Objective 2) because the area is included in the natural geographic area formed by the Willows Drainage Basin. Option A, at 59 acres, would incorporate a portion of land within the above-described physical boundaries, thus, beginning to meet criterion RCW 36.93.180 (2) for annexation of lands within common physical boundaries. Annexation furthers progress toward incorporation of the entire NE Rose Hill Area

King County: Mr. Thomas reported that incorporation of the entire NE Rose Hill Annexation Area (Option B) into Redmond is consistent with RCW 36.93.180 (Objective 2) which calls for use of physical boundaries to serve as a basis for incorporation boundaries. The incorporation of the NE Rose Hill Area at 184 acres would bring into the City all lands within the NE Rose Hill Potential Annexation Area.

This comprehensive annexation would provide for an immediately unified community with established physical and social boundaries. Annexation of the limited NE Rose Hill Annexation Area – Phase I (59-

acre) area is not based upon clear physical boundaries creating confusion with respect to community identity and service provision.

Incorporation of the entire NE Rose Hill Annexation Area into the City of Redmond is consistent with an agreement between the City of Redmond and the City of Kirkland that establishes the annexation areas for each jurisdiction.

Citizen Testimony: Persons testifying in opposition to annexation stated that annexation boundaries should, but do not, reflect the proximity to and affiliation with Kirkland. The definition of 132nd Avenue NE as a boundary was disputed, as that road does not directly link NE Rose Hill to major arterial roads leading to Redmond.

Community members supporting the annexation spoke of recognizing the link to the City that is established in the Redmond Comprehensive Plan and in the NE Rose Hill Subarea Plan. They wish to join the Redmond community, participate in activities, and to receive services from the city.

RCW 36.93.180 (3) Creation and preservation of logical service areas: This Objective calls for the provision of logical services areas to serve the properties within a jurisdiction. The record for File No. 2168 indicates that the annexation of NE Rose Hill into the City of Redmond will support the creation and preservation of logical service areas. The City's Comprehensive Plan and Subarea Plan establish the City as the provider of services for the NE Rose Hill Annexation Area. More specifically, Redmond has regulatory authority and responsibility to provide public services to all of its citizens under the King County Comprehensive Plan, the City Comprehensive Plan, other City plans and regulations (e.g., Comprehensive Sewer and Water Plans, Transportation Element of the Comprehensive Plan, Comprehensive Stormwater Management Plan). Further, the Growth Management Act establishes cities as governmental units and service providers.

At annexation, the City of Redmond will include the NE Rose Hill properties in its Service Area. Then the City would provide (directly or by contract) sewer services and water services. Interlocal agreements for service exist with Kirkland and Bothell. The City may establish Local Improvement Districts, as appropriate, for future services.

The City would also provide (directly or by contract) for fire service and police service to the NE Rose Hill properties. Similarly, the City would provide for public facilities such as roads and storm water management systems. The City is planning for rebuilding of these facilities as necessary to protect public health and safety. Area residents would also have access to schools, libraries and recreation facilities. The City is considering development of a new park.

City of Redmond: Redmond representatives reported that the NE Rose Hill Annexation – Phase I (Option A) supports the creation and preservation of logical service areas (RCW 36.93.180 - Objective 3).

Option A would further the achievement of this criterion because this annexation would enable a greater number of citizens to be included in the City of Redmond's service area and, thus, to receive consolidated municipal services. For example, The Option A annexation plan will allow Redmond to provide services that will protect the built environment (e.g., address septic system failures, provide stormwater and surface water management systems). These services will also help to protect the natural environment (e.g., Willows Basin). More specifically, the City is reportedly prepared to extend sewers to any area within NE Rose Hill. The City will convert properties from the existing septic systems to sewer upon request by the property owner. The City may establish Local Improvement Districts, as appropriate, for future services. It is anticipated that sewers could be in place in the proposed NE Rose Hill annexation Area – Phase I (Option A) by 2006.

Under the law and under existing interlocal agreements, the City of Redmond is responsible to provide for services to properties within city limits. The City is currently providing water to the area through an Interlocal Agreement. As permitted by state law, the City of Redmond requires annexation to provide services to properties. The City is not required by law to provide services to properties outside of city boundaries; the City does not have any agreement or franchise to serve unincorporated areas.

King County: Annexation of the entire NE Rose Hill Potential Annexation Area (Option B) into Redmond is consistent with RCW 36.93.180 (Objective 3) which calls for logical service areas. The incorporation of

the entire NE Rose Hill Annexation Area provides a logical service area wherein coordinated, consolidated, and efficient services can be provided to all properties in NE Rose Hill.

When Redmond developed its Comprehensive Plan, the City made a commitment to annex the entire NE Rose Hill Area. Under the Comprehensive Plan and other regulatory authorities, the City also made provisions to immediately govern and serve the entire NE Rose Hill Annexation Area. City officials have stated that services (e.g., water, sewer, fire, etc) can be provided to the NE Rose Hill Annexation Area either directly by the City of Redmond or by interlocal agreements with other service providers.

Mr. Thomas, King County, reiterated that annexation is necessary to address public service requirements. For example, specific concerns about service challenges have been raised by the Sheriff's Department, and the County's Roads Department. Each of these government units is concerned about the ability to provide coordinated, economic services that are timely and efficient based upon the limited resources available to serve the existing illogical area.

More specifically, Captain Rebecca Norton reports that the present emergency service program relies on services dispatched from a center in Kenmore so that response time to this distant, small unincorporated pocket of land may be up to— 20 minutes. This lengthy response time can pose problems for citizens and service providers. The duplication of responsibilities and fees for police services are also an area of concern. Citizens must be able to rely upon a specific plan and implementation program for providing services. The City of Redmond Police Department offers a 6-7 minutes maximum response time.

Further, there are concerns related to public health and welfare based upon the fact that the area is currently served by septic systems. Many of these septic systems have reportedly failed or are likely to fail in the near future. Under the law, sewers may be provided only to properties within the City of Redmond. The City has made a commitment to sewer all properties that are annexed to Redmond.

Mr. Thomas stated that annexation of the entire NE Rose Hill Annexation Area is a more balanced action from a financial perspective as well. More specifically, King County will benefit because, while the County will not receive revenue from the NE Rose Hill Annexation Area, the County will also not incur costs for providing service to the area.

While the tax base is uniform throughout King County, there are variations among communities in revenue collection and costs for service. King County has not calculated the specific revenue/cost balance for the NE Rose Hill Area, but revenue/cost studies conducted for the greater County have indicated that the cost of serving local urban residential communities exceed revenues obtained from residential properties. Service requirements are correlated to the community. For example, requirements for serving high-density developments differ from the costs of serving rural communities. Similarly, where multiple providers are required to serve an area, there are greater costs for service.

Annexation of the 59-acre area is not consistent with Objective 3 as this limited incorporation complicates an already complex service system. More specifically, the 59-acre annexation will result in dissonance in service provision because various County providers and local providers will be required to serve areas that are not clearly delineated. Service availability will be more fragmented. Services will be less effective, less efficient, and more costly. More specifically, if the NE Rose Hill Annexation includes only 59 acres, then the County will receive less funding but will retain responsibility for serving the remaining 125-acre NE Rose Hill Area.

Citizen Testimony: Persons opposed to annexation believe that the annexation would be untimely. Citizens are uncertain concerning Redmond's capacity and willingness to provide public facilities, infrastructure and service programs for NE Rose Hill. More specifically: Some citizens believe services and facilities will be altered, duplicated, or eliminated. Changes to services are perceived as resulting in the decline of quality of life as well as deterioration of public health and welfare.

There was testimony that the City must prepare and begin to implement detailed service programs in order to document the ability of the municipal government to provide services to the NE Rose Hill Area. Some speakers had concerns about the adequacy of City funding for services and expressed reluctance to pay fees for those services. Some speakers believe, further, that Redmond is not required by law to annex the NE Rose Hill Area in order to provide services here.

Citizens favoring annexation prefer receiving services from a local provider. Those speakers report their conviction that NE Rose Hill' community members joining the City of Redmond would receive municipal public services. These speakers believe that the City of Redmond consolidated services plan would support public health and safety. Coordinated services are more convenient for the provider and the customer. Unified services would be more reliable, efficient and cost effective. Citizens can more easily communicate service needs to a single service provider. NE Rose Hill would benefit from becoming a part of the City, as access would be available to a variety of amenities.

RCW 36.93.180 (4) Prevention of abnormally irregular boundaries: This Objective calls for the prevention of abnormally regular boundaries in the establishment of annexation areas.

The record for File No. 2168 provides two points of view concerning the achievement of Objective 4 under the proposed NE Rose Hill Area Annexation – Phase I (59 acres) (Option A). There are statements in the record reporting that the proposed Option A achieves this criterion because the area planned for incorporation follows property lines and that all properties are located within the boundaries of the greater NE Rose Hill Annexation Area.

There are also statements in the record reporting that the proposed Option A fails to achieve this criterion because the specific boundaries result in a “J” shape which does not constitute a reasonably normal, regular boundary. More specifically, the proposed boundaries of the NE Rose Hill Annexation – Phase I (Option A) include:

- A northern boundary variously formed by NE 104th Street and NE 102nd Street.
- A southern boundary variously formed by NE 100th Street and by NE 97th Street.
- A western boundary variously formed by 134th Avenue NE at the northern and southern perimeters of the annexation area and by 134th Avenue NE in the center section of the annexation area.
- An eastern boundary variously formed by 136th Avenue NE and 140th Avenue NE. The easternmost boundary (140th Avenue NE) is contiguous to the western boundary of the existing City of Redmond.

The record for File No. 2168 reports that incorporation of the NE Rose Hill Annexation Area (184 acres) (Option B) would provide a regular boundary based upon the incorporation of the entire Potential Annexation Area.

City of Redmond: City representatives stated that the NE Rose Hill Annexation Area – Phase I prevents abnormally irregular boundaries, consistent with Objective 4. More specifically, Option A, at 59 acres, would reduce irregular boundaries by adding a portion of the unincorporated area into the City. Incorporation as proposed under Option A would constitute progress toward correcting existing irregular municipal boundaries. These boundaries are considered to be irregular based upon the fact that portions of the intended NE Rose Hill Annexation Area remain under the jurisdiction of King County rather than under the intended jurisdiction of the City of Redmond.

King County: Mr. Thomas stated that annexation of the entire NE Rose Hill Area (Option B) into Redmond is necessary to achieve Objective 4, which is intended to prevent abnormally irregular boundaries. King County believes that incorporation of the entire NE Rose Hill Annexation Area in a single, concerted action would create the intended regular boundary. The greater annexation area would facilitate coordinated land uses and offer a more effective, efficient solution to provision of services.

Option A, as proposed, does not create a reasonably regular boundary. This configuration would create (rather than resolve) a discontinuous boundary. This division hinders effective governance.

Citizen Testimony: Opponents of the annexation disputed Redmond's definition of “irregular boundaries”. They stated that the proposed annexation does not prevent abnormally irregular boundaries as required by this Objective. Option A and Option B are reported to both create “irregular boundaries”. These “irregular” boundaries result from the City's plan to annex properties whose owners do not care to join Redmond, while excluding some properties whose owners are seeking affiliation with the City.

Citizens favoring annexation understand that the entire NE Rose Hill Area is intended for incorporation into Redmond. Some residents would like immediate annexation. Others believe that annexation would be more consistent with this criterion if the Subarea Plan were adopted to ensure that consistent development would occur within the ultimate municipal boundaries.

RCW 36.93.180 (5) Discouragement of multiple incorporations: RCW 36.93.180 (5) is not applicable to File No. 2168.

RCW 36.93.180 (6) Dissolution of inactive special purpose districts: RCW 36.93.180 (6) is not applicable to File No. 2168.

RCW 36.93.180 (7) Adjustment of impractical boundaries: This Objective calls for an annexation to result in the adjustment of impractical boundaries. The record for File No. 2168 indicates that the annexation of NE Rose Hill into the City of Redmond will result in the adjustment of currently impractical boundaries. The City's Comprehensive Plan and Subarea Plan establish the City as the authority for regulation of land uses and the provider of all public services and facilities for the NE Rose Hill Annexation Area. Incorporation of the entire NE Rose Hill Area would create more practical boundaries with respect to establishment of uniform land uses and land development standards. Annexation would create more practical boundaries for service as well, as it would bring all of the natural sewer basin and storm water basin, as well as the water service area, under City jurisdiction.

City of Redmond: Redmond representatives reported that incorporation of the NE Rose Hill Annexation Area – Phase I (Option A) is consistent with Objective 7. This annexation adjusts impractical boundaries because it incorporates area that Redmond's Comprehensive Plan designates for incorporation.

King County: Mr. Thomas stated that annexation of the entire NE Rose Hill Potential Annexation Area into Redmond is consistent with RCW 36.93.180 (Objective 7) which is intended to create practical boundaries. Of special interest to the County is the desirability of annexing small isolated urban areas, such as NE Rose Hill, because annexation provides residents with local governance and needed public services/facilities. Option B creates a practical boundary, which will enable coordinated development and streamline the provision of public facilities and services.

The proposed 59-acre annexation area does not create a practical boundary. Rather, annexation of this limited area fragments community borders and thus splinters community identity. Further, the proposed boundaries will complicate the provision of public facilities and public services. For example, the proposed boundary will create confusion for emergency service providers.

County staff reported that annexation of the entire NE Rose Hill Annexation Area (Option B) better achieves Objective 7 because this incorporation would immediately eliminate the existing impractical boundaries. With Option B, the City can provide more coordinated development and services than can occur with fragmented boundaries.

Citizen Testimony: Speakers testifying in opposition to the annexation report that the proposed incorporation would not adjust impractical boundaries as required by this Objective. They stated that Option A and Option B would create barriers in that many citizens will be required to join the City despite their preference for being independent of Redmond.

Citizens favoring annexation believe that more practical boundaries would better define the community, improve coordination of land uses, and support a broader range of reliable, affordable services.

RCW 36.93.180 (8) Incorporation as cities or towns or annexation to cities or towns of unincorporated areas which are urban in character: This Objective calls for unincorporated urban areas to annex to existing cities to provide for local governance. The record for File No. 2168 indicates that NE Rose Hill is an Urban Area. The City of Redmond has an adopted Comprehensive Plan which designate NE Rose Hill as a Potential Annexation Area. The definition of the NE Rose Hill Area as "urban" is supported by the State Growth Management Act and the King County Comprehensive Plan.

City of Redmond: Redmond representatives stated that the NE Rose Hill Annexation – Phase I is consistent with RCW 36.93.180 - Objective 8 which calls for incorporation of urban areas. City representatives testified that annexation under Option A would further this Objective because unincorporated urban areas would be incorporated into the City.

In anticipation of implementing its Potential Annexation Area plan, the City of Redmond initially invited residents of the entire urban NE Rose Hill Annexation Area to join the City. Although a number of residents throughout the greater NE Rose Hill Annexation Area have expressed interest in joining the City, the City has failed to interest a majority of the property owners in annexation at this time. The City

prefers to annex property owners upon request, consistent with state laws providing for citizens to initiate the annexation process.

King County: Mr. Thomas reported that incorporation of the entire NE Rose Hill Annexation Area into Redmond is consistent with RCW 36.93.180 (Objective 8) which calls for incorporation of urban areas. The NE Rose Hill Area is within King County's Urban Growth Area boundaries. NE Rose Hill is designated for urban development similar to development in surrounding communities. A substantial portion of the NE Rose Hill Annexation Area is now developed at urban densities. Incorporation of the entire NE Rose Hill Area will permit more coordinated development and unified public services.

Annexation of the 59-acres does not materially reduce the unincorporated area. This limited action does not achieve incorporation of all designated urban lands.

Citizen Testimony: Speakers opposed to incorporation stated their opinion that the NE Rose Hill Annexation Area is rural in character based upon the presence of existing open spaces and vacant properties in the NE Rose Hill Annexation Area. With incorporation, there would be new development. With new development, the local semi-rural ambience would disappear. Incorporation would destroy the quality of life in the area.

Other citizens concurred that NE Rose Hill is an urban area. They stated that NE Rose Hill's residents would benefit from becoming a part of the City. Near term annexation would improve services and provide a stronger connection with the City of Redmond.

RCW 36.93.180 (9) Protection of agricultural and rural lands which are designated for long term productive agricultural and resource use by a comprehensive plan adopted by the county legislative authority:

RCW 36.93.180 (9) is not applicable to File No. 2168 as the NE Rose Hill Area does not include or concern any agricultural lands. This entire NE Rose Hill Annexation Area is within the Urban Growth Area as established by King County and approved by the State of Washington.

CONSISTENCY WITH THE GROWTH MANAGEMENT ACT

State law provides in RCW 36.93.157 that Boundary Review Board decisions must be consistent with three sections of the Growth Management Act:

RCW 36.70A.020	Planning Goals
RCW 36.70A.110	Urban Growth Areas
RCW 36.70A.210	Countywide Planning Policies

With respect to File No. 2168, the key Growth Management issues involve the Countywide Planning Policies pertaining to land use and municipal services (RCW 36.70A.020 and RCW 36.70A.110). The Growth Management Act policies that guide the provision of public services and that are relevant to the proposed Annexation include:

- ☐ RCW 36.70A.020 (1) Urban Growth: Encourages development in urban areas where adequate public facilities and services exist or can be provided efficiently.
- ☐ RCW 36.70A.020 (2) Reduce Sprawl: Reduce inappropriate conversion of undeveloped land into sprawling low-density development.
- ☐ RCW 36.70A.020 (10) Environment: Protect and enhance the environment, quality of life and water availability.
- ☐ RCW 36.70A.020 (11) Citizen Participation and coordination in the planning process and ensure coordination between communities/jurisdictions to reconcile conflicts.
- ☐ RCW 36.70A.020 (12) Public Facilities and services: Ensures that adequate public services and facilities are available to serve land developments.
- ☐ RCW 36.70A.110 (1/6) calls for each county to designate an urban growth area.
- ☐ RCW 36.70A.110 (3) directs urban growth to areas with existing or available public services and facilities
- ☐ RCW 36.70A.110 (4) states that "(in) general, cities are the units of local government most appropriate to provide urban ...services."
- ☐ RCW 36.70A.210 (1) states that cities are primary providers of urban governmental services within urban growth areas.

The record for File No. 2168 supports the finding that incorporation of the NE Rose Hill Annexation Area into the City of Redmond would be consistent with Growth Management Act criteria for incorporation of urban areas.

Also, RCW 36.70A.210 requires that the county adopt Countywide Planning Policies to address governance of urban areas. These policies are to be developed in cooperation with the cities. This task has been accomplished in King County, where the Countywide Planning Policies were adopted by the County and ratified by the cities. Countywide policies support annexation of urban areas. Similarly, the City of Redmond created a Comprehensive Plan that provides for annexation of urban areas. The record for File No. 2168 supports the finding that annexation of NE Rose Hill into the City of Redmond would be consistent with Countywide policies and with Redmond's policies for incorporation of urban areas.

City of Redmond: The City of Redmond reports that the NE Rose Hill Annexation - Phase I (Option A) is consistent with the State Growth Management Act provisions (e.g., RCW 36.70A.210.3.b.) calling for incorporation of territory and establishing cities as the appropriate jurisdiction to govern urban areas.

Redmond officials believe that Option A achieves the provisions of the Growth Management Act because some of the citizens of NE Rose Hill would benefit from joining the City. New citizens would experience consistent governance, compatible land development, and unified public services. Further, it is likely that citizens of the remaining unincorporated area would eventually come to seek annexation in order to redevelop properties, develop vacant properties, and/or receive services.

King County: Mr. Thomas reported that incorporation of the entire NE Rose Hill Annexation Area (Option B) is consistent with the State Growth Management Act provisions (e.g., RCW 36.70A.210.3.b.). Annexation under Option B more successfully provides for the establishment of the City of Redmond as the appropriate jurisdiction to govern this community.

Incorporation of the entire NE Rose Hill Annexation Area is necessary to allow the community to accommodate and serve both existing homes and the new residential development that is permitted in NE Rose Hill.

Citizen Testimony: Opponents of incorporation stated that incorporation of the NE Rose Hill Annexation Area would be inconsistent with the State Growth Management Act which "does not intend to destroy communities". Several speakers stated that the annexation, as it would lead to new development, services and infrastructure, violates the Growth Management Act mandate for orderly growth and for consideration of the natural environment (e.g., sloped lands, vegetation, wildlife).

Some speakers disputed the "urban" definition of the area as prescribed by the Act stating that the Growth Management Act and the applicable Comprehensive Plans allow/encourage annexation but do not require this action. Those testifying believed that the law does not allow an annexation action to override public opinion. They believe that the predominating public opinion objects to annexation.

Supporters of annexation believe that this incorporation is consistent with the Growth Management Act provisions that encourage local governments to assume responsibility for governing and providing municipal services to lands in urban areas. With annexation the City could reportedly ensure that appropriate development occurs and that local services are provided to address current needs, provide for future users, and protect the environment.

BOUNDARY REVIEW BOARD FINDINGS AND DECISIONS

The Boundary Review Board conducted a review of the proposed City of Redmond NE Rose Hill Annexation (File No. 2168) based upon the record of written documents and oral testimony. The Board's deliberations were directed to the state, regional and local regulations relevant to the proposed action. The Board focused upon RCW 36.93 (Boundary Review Board Enabling Act); RCW 36.70A (Growth Management Act); King County Comprehensive Plan/Countywide Policies; City of Redmond Comprehensive Plans, RCW 35.13 (Annexation of Cities); and other relevant regulations and guidelines. The role of the Boundary Review is to implement these existing laws; the Board does not have the authority to make law or policy.

The Boundary Review Board reviewed File No. 2168 with respect to its legal authorities, in order to consider the following options for annexation:

- The NE Rose Hill Annexation Area – Phase I (Option A) could be accepted as proposed and supported by the City of Redmond, if this Option achieves the basic requirements of RCW 36.93 and other applicable regulations (e.g., the State Growth Management Act, the King County Comprehensive Plan and the Redmond Comprehensive Plan). This alternative would recognize the interests of citizens who seek annexation to the City of Redmond and the interests of those citizens who prefer to remain under the jurisdiction of King County.
- The NE Rose Hill Annexation could be modified as proposed by King County (Option B) to increase the annexation area up to 184-acres, if this Option achieves the basic requirements of RCW 36.93 and other applicable regulations (e.g., the State Growth Management Act, the King County Comprehensive Plan, and the Redmond Comprehensive Plan). Such a modification can be accomplished pursuant to RCW 36.93.150, which establishes the standard by which the Board may revise annexation boundaries to cities. This alternative would require all properties within the NE Rose Hill Area to immediately be incorporated into and placed under the jurisdiction of the City of Redmond.
- The NE Rose Hill Annexation could be denied in its entirety if it is determined that these alternatives are inconsistent with RCW 36.93 and other applicable regulations

In conducting a review of the File No. 2168 record, the Boundary Review Board finds that the materials submitted pursuant to the City of Redmond application and the materials submitted pursuant to the position of the opponents are extensive and detailed in their content. The parties have provided considerable bodies of material supporting their positions. The Board has deliberated upon the complete record in order to come to a decision to approve, modify, or deny the NE Rose Hill Annexation Area application for annexation. A summary of the Board's deliberations is provided below.

Speaking with respect to the initially proposed NE Rose Hill Area – Phase I Annexation (59 acres) (Option A), Board members offered the following comments:

- The Board finds that the proposed NE Rose Hill Area – Phase I Annexation (59 acres) is based upon petition of the citizens of the area. This action is consistent with the provisions of RCW 35.13.
- The Board must determine whether the proposed NE Rose Hill Annexation – Phase I meets the provisions of the Growth Management Act (RCW 36.70A), the Boundary Review Board Act (RCW 36.93), the King County Comprehensive Plan, and the City of Redmond Comprehensive Plan.

RCW 36.70A, the King County Comprehensive Plan, and the Redmond Comprehensive Plan each call for logical, orderly growth of communities. County and the City planning documents, which are approved by the State of Washington, establish Redmond as the local jurisdiction slated to govern the entire NE Rose Hill Area. As such, annexation of an incremental portion of the NE Rose Hill Annexation Area (as proposed in Option A) is not consistent with the plan for logical, orderly growth.

Option A fails to achieve other provisions of these regulatory authorities (e.g., planning goals and policies establishing cities as the units of local government; planning goals and policies calling for cities to be primary providers of urban governmental services within urban growth areas).

- The Board must determine whether the NE Rose Hill Annexation meets the requirements established by RCW 36.93. RCW 36.93.180 defines the objectives to be achieved with an annexation. The NE Rose Hill Area – Phase I Annexation addresses the objectives as follows:

RCW 36.93.180	NE ROSE HILL AREA – PHASE I ANNEXATION
OBJECTIVE 1 – PRESERVATION OF NATURAL NEIGHBORHOODS AND COMMUNITIES	ANNEXATION EXCLUDES PROPERTIES THAT ARE A PART OF THE NATURAL NEIGHBORHOOD AND COMMUNITY
OBJECTIVE 2 – USE OF PHYSICAL BOUNDARIES, INCLUDING BUT NOT LIMITED TO BODIES OF WATER, HIGHWAYS, AND LAND CONTOURS	ANNEXATION IS BASED UPON PHYSICAL BOUNDARIES THAT ARE DIFFICULT TO LOCATE AND DISCERN (E.G., MINOR ROADWAYS, PROPERTY LINES & DRAINAGE BASIN LINE)
OBJECTIVE 3 – CREATION AND PRESERVATION OF LOGICAL SERVICE AREAS	ANNEXATION EXCLUDES PROPERTIES THAT ARE A PART OF THE LOGICAL SERVICE AREA. FRAGMENTATION OF THE AREA HINDERS SERVICES.

RCW 36.93.180	NE ROSE HILL AREA – PHASE I ANNEXATION
OBJECTIVE 4 – PREVENTION OF ABNORMALLY IRREGULAR BOUNDARIES	ANNEXATION CREATES (RATHER THAN PREVENTS) IRREGULAR BOUNDARY LINES. BOUNDARIES FRAGMENT THE COMMUNITY AND MAY HINDER SERVICE TO THE AREA
OBJECTIVE 5 – DISCOURAGEMENT OF MULTIPLE INCORPORATIONS	DOES NOT APPLY
OBJECTIVE 6 – DISSOLUTION OF INACTIVE SPECIAL PURPOSE DISTRICTS	DOES NOT APPLY
OBJECTIVE 7 – ADJUSTMENT OF IMPRACTICAL BOUNDARIES	ANNEXATION CREATES (RATHER THAN ADJUSTS) IMPRACTICAL BOUNDARIES. ACTION RESULTS IN LESS COORDINATED SERVICE AREAS WHICH ARE INEFFICIENT AND MORE COSTLY TO SERVE
OBJECTIVE 8 – INCORPORATION AS CITIES OR TOWNS OR ANNEXATION TO CITIES OR TOWNS OF UNINCORPORATED AREAS WHICH ARE URBAN IN CHARACTER	ACTION BEGINS INCORPORATION PROCESS BUT FAILS TO INCLUDE CONTIGUOUS PROPERTIES WHICH ARE URBAN IN CHARACTER.
OBJECTIVE 9 – PROTECTION OF AGRICULTURAL AND RURAL LANDS DESIGNATED BY A COMPREHENSIVE PLAN ADOPTED BY THE COUNTY LEGISLATIVE AUTHORITY	DOES NOT APPLY

In the matter of File No. 2168, the Board finds (by a vote of 6 in favor and 4 in opposition) that the proposed action (Option A) fails to achieve the preponderance of standards as established in the Growth Management Act, King County Comprehensive Plan, the City of Redmond Comprehensive Plan, RCW 36.93, and other state and local guidelines for incorporation of urban areas.

Speaking with respect to the proposed modification of the NE Rose Hill Annexation (184 acres) (Option B) Board members offered the following comments:

- The Board must determine whether the NE Rose Hill Annexation (184 acres) meets the provisions of the Growth Management Act (RCW 36.70A), the Boundary Review Board Act (RCW 36.93), the King County Comprehensive Plan, and the City of Redmond Comprehensive Plan.
- The Growth Management Act, the King County Comprehensive Plan and the Redmond Comprehensive Plan each establish Redmond as the local jurisdiction slated to govern the NE Rose Hill Area. As such, incorporation of the entire NE Rose Hill Annexation Area (184 acres) will promote logical and orderly growth as envisioned in the Growth Management Act. This Option is, similarly, consistent with King County and City of Redmond guidelines. Annexation under Option B will provide for coordinated governance and service under the uniform jurisdiction of the City.
- The Board must determine whether the NE Rose Hill Annexation under Option B meets the requirements established by RCW 36.93. RCW 36.93.180 defines the objectives to be achieved with an annexation. The NE Rose Hill Annexation (184 acres) addresses the objectives as follows:

RCW 36.93.180	MODIFIED NE ROSE HILL ANNEXATION (184 ACRES)
OBJECTIVE 1 – PRESERVATION OF NATURAL NEIGHBORHOODS AND COMMUNITIES	ADVANCES BASIC CRITERION AS ANNEXATION INCLUDES ALL PROPERTIES THAT ARE INCLUDED IN A NATURAL COMMUNITY
OBJECTIVE 2 – USE OF PHYSICAL BOUNDARIES, INCLUDING BUT NOT LIMITED TO BODIES OF WATER, HIGHWAYS, AND LAND CONTOURS	ADVANCES BASIC CRITERION AS IT COINCIDES WITH ESTABLISHED COMPREHENSIVE PAA BOUNDARIES
OBJECTIVE 3 – CREATION AND PRESERVATION OF LOGICAL SERVICE AREAS	ADVANCES BASIC CRITERION AS REDMOND CAN CONTINUE/BEGIN SERVICE TO ENTIRE AREA IN A WAY THAT ADDRESSES PUBLIC WELFARE. COUNTY WOULD CEASE TO HAVE RESPONSIBILITY FOR SERVICE.
OBJECTIVE 4 – PREVENTION OF ABNORMALLY IRREGULAR BOUNDARIES	ADVANCES CRITERION AS REGULAR BOUNDARY LINES SUPPORT A UNIFIED COMMUNITY AND STREAMLINE SERVICE PROVISION
OBJECTIVE 5 – DISCOURAGEMENT OF MULTIPLE INCORPORATIONS	DOES NOT APPLY

RCW 36.93.180	MODIFIED NE ROSE HILL ANNEXATION (184 ACRES)
OBJECTIVE 6 – DISSOLUTION OF INACTIVE SPECIAL PURPOSE DISTRICTS	DOES NOT APPLY
OBJECTIVE 7 – ADJUSTMENT OF IMPRACTICAL BOUNDARIES	ANNEXATION CREATES (RATHER THAN ADJUSTS) IMPRACTICAL BOUNDARIES. ACTION RESULTS IN LESS COORDINATED SERVICE AREAS WHICH ARE INEFFICIENT AND MORE COSTLY TO SERVE
OBJECTIVE 8 – INCORPORATION AS CITIES OR TOWNS OR ANNEXATION TO CITIES OR TOWNS OF UNINCORPORATED AREAS WHICH ARE URBAN IN CHARACTER	ADVANCES CRITERION AS THE ENTIRE URBAN AREA IS INCORPORATED INTO A LOCAL JURISDICTION.
OBJECTIVE 9 – PROTECTION OF AGRICULTURAL AND RURAL LANDS DESIGNATED BY A COMPREHENSIVE PLAN ADOPTED BY THE COUNTY LEGISLATIVE AUTHORITY	DOES NOT APPLY

- King County is not the proper jurisdiction to govern and serve NE Rose Hill. King County is mandated to provide for regional governance rather than for local governance. King County is mandated to provide for rural areas rather than for urban areas. Further, King County officials report that the County is encountering challenges which hinder the provision of effective governance and reliable services as required for the preservation and enhancement of public health and welfare.
- The City of Redmond is the proper jurisdiction to immediately govern and serve the NE Rose Hill Annexation Area. More specifically:

- Annexation of the entire NE Rose Hill Area will provide for a community that is unified under a single set of governance standards to guide land uses.

The NE Rose Hill Annexation Area is established as an urban community under state law. The City of Redmond has worked with citizens of NE Rose Hill to establish a Subarea Plan for land use and land development to ensure that the unity of this residential community is maintained and that the quality of life is preserved for the citizens of NE Rose Hill. Under the jurisdiction of Redmond, citizens can continue to work together with City officials to ensure permitted residential uses and public amenities to address the local “rural” ambience. Neighborhood unity is preserved and enhanced through coordinated land use planning and community development.

- Annexation of the entire NE Rose Hill Area will provide for a community that is unified under a single set of governance standards for public services and public facilities.
Redmond representatives have testified that the City can provide NE Rose Hill citizens with fire, service, water service, sewers, roads, storm water systems, schools, libraries, parks, and recreational facilities. NE Rose Hill citizens would benefit from reliable, orderly, efficient, economic services.
- Annexation of the entire NE Rose Hill Area will provide for a community that is unified under a single set of standards for preservation of the natural environment.

- Regulatory authorities and guidelines do not establish a specific timeline for incorporation of communities into local jurisdictions. However, laws and guidelines do call for logical, orderly growth of communities under the aegis of local jurisdictions. For example, RCW 36.93.150 permits the Board to modify an annexation to increase the number of properties to be incorporated into a city. Modification is permitted although the owners of such properties have not petitioned for annexation and may prefer not to join in the annexation. Precedent exists for substantial modifications of boundaries to address governance and service issues that are similar and equivalent to the governance and service issues identified for the NE Rose Hill Annexation Area.

In the matter of File No. 2168, the Board finds (by a vote of 6 in favor and 4 in opposition) that the NE Rose Hill Annexation as modified to include the entire NE Rose Hill Potential Annexation Area (184 acres) (Option B) would advance the preponderance of standards established in the Growth Management Act, King County Comprehensive Plan, the City of Redmond Comprehensive Plan, RCW 36.93, and other state and local guidelines for incorporation of urban areas.

In the matter of File No. 2168, the Board unanimously finds that denial of incorporation of the NE Rose Hill Annexation Area would be inconsistent with regulatory authorities guiding Board decisions, including RCW 36.93, RCW 36.70A, the King County Comprehensive Plan, and the City of Redmond Comprehensive Plan. Denial would prevent local governance and limit provision of public facilities and services to the citizens of NE Rose Hill.

CONCLUSIONS:

In the matter of File No. 2168, the Washington State Boundary Review Board finds, by a majority vote, that the application of the City of Redmond to annex the NE Rose Hill Area demonstrates that the proposal with modifications, described herein as Option B (approximately 184 acres), is consistent with and advances: (1) pertinent objectives specified in RCW 36.93.180; (2) pertinent factors specified in RCW 36.93.170; (3) pertinent regulations specified in RCW 35.13; (4) pertinent standards specified in RCW 36.70A - Growth Management Act; (5) pertinent standards specified in the King County Comprehensive Plan/Countywide Policies; (6) pertinent standards specified in the City of Redmond Comprehensive Plan; and (7) other pertinent state and local regulations. The approval with modifications of the application of the City of Redmond to annex the NE Rose Hill Area (184 acres) is permitted by RCW 36.93.150.

The approval with modifications to the application of the City of Redmond to annex the NE Rose Hill Area (184 acres) is timely based upon the City of Redmond's current and historical commitment to guide development and provide municipal services to this area. Annexation will enable the City of Redmond to provide for the health, welfare and safety of its citizens.

(Note: Under state law, the City of Redmond must adopt an Ordinance or Resolution affirming the NE Rose Hill Annexation following action by the Boundary Review Board. Under state law, the City must confirm the action as approved by the Boundary Review Board. Alternatively, the Council may decide not to pursue the action. However, the City cannot modify the boundaries that have been approved by the Boundary Review Board.)

NOW, THEREFORE,

BE IT RESOLVED BY THE WASHINGTON STATE BOUNDARY REVIEW BOARD FOR KING COUNTY THAT, for the above reasons, the action proposed in the Notice of Intention contained in said **File No. 2168** be, and the same is, hereby **approved with modifications** as described in Exhibits "C" attached hereto and incorporated herein by reference.

ADOPTED BY SAID WASHINGTON STATE BOUNDARY REVIEW BOARD FOR KING COUNTY by a vote of _____ in favor , _____ in opposition, and _____ abstentions, on this 27 day of September, 2004, and signed by me in authentication of its said adoption on said date.

WASHINGTON STATE BOUNDARY REVIEW BOARD FOR KING COUNTY

James Denton, Chair

FILED this _____ day of _____, 2004 **BY:**

Lenora Blauman, Executive Secretary

EXHIBITS

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|------------|---|
| EXHIBIT I | CITY OF REDMOND NE ROSE HILL: LEGAL DESCRIPTION OF MODIFIED ANNEXATION AREA BOUNDARIES (OPTION B) |
| EXHIBIT II | CITY OF REDMOND NE ROSE HILL: MAP OF MODIFIED ANNEXATION AREA BOUNDARIES (OPTION A) |

EXHIBITS

EXHIBIT I CITY OF REDMOND NE ROSE HILL: LEGAL DESCRIPTION OF MODIFIED ANNEXATION AREA BOUNDARIES (OPTION B)

EXHIBIT II CITY OF REDMOND NE ROSE HILL: MAP OF MODIFIED ANNEXATION AREA BOUNDARIES (OPTION A)